



SCHOOL CONSTRUCTION LOAN APPLICATION

DEPARTMENT OF PUBLIC INSTRUCTION
SCHOOL FINANCE AND ORGANIZATION
SFN 52306 (7-15)

School District		Date of Application
Mailing Address		Contact Person
City		Phone Number
State	Zip	Fax Number

The school district's construction project has been approved by the Superintendent of Public Instruction or the State Board of Public School Education, is estimated to cost in excess of \$1,000,000, and has an expected utilization of at least 30 years.

Has your school district received approval for this construction project within the last three years?
What is the estimated cost of the project? \$
Is the expected utilization of the project at least 30 years? <input type="checkbox"/> Yes <input type="checkbox"/> No

What is your district's existing indebtedness? \$
What is your district's total assessed value? \$
What is your district's taxable valuation? \$
The existing indebtedness is what percent of the district's assessed valuation?
Does your school district intend to issue and sell evidences of indebtedness to finance the proposed construction or improvement of the project? <input type="checkbox"/> Yes <input type="checkbox"/> No
Does your district intend to finance the school construction loan for this project partly or solely from the district's allocation of oil and gas tax production tax in accordance with NDCC 57-51-15? <input type="checkbox"/> Yes <input type="checkbox"/> No

Please submit appropriate verification regarding bond issue.

Does your district have a bonding rate? <input type="checkbox"/> Yes <input type="checkbox"/> No

If so, what date was it issued? Please include documentation of the bond rating.

What other methods or sources of financing the construction project were considered? Please list and describe how each is being used if applicable. Also explain why other methods of financing were discarded.

Please provide your best estimate as to when construction will begin.

The following information can be provided by simply enclosing a copy of the facility plan that your school district developed for school construction approval. Please update your facility plan where appropriate.

- Provide a description of the construction project for which the loan application is being made.
- Provide past (5 years) current and projected (5 years) enrollment data for the district.
- Provide current bonded indebtedness, debt retirement schedules, and the total capital expenditures of the district.
- Provide past (5 years) and current taxable valuation of the district.
- Provide data of per pupil taxable valuation of the district for the last five years.
- Provide the current and projected operating expenses of the district including total expenditures of the districts.
- Provide data on current tax levies of the district.

I certify that the information contained in this application is true and correct to be best of my knowledge.

Date

President's Signature

Please attach a copy of the board resolution authorizing this loan application. A memo listing loan closing requirements is attached for your information.

INSTRUCTIONS

- With local board approval, submit school construction loan application with approved facility plan or updates.

Provide proof that the requirements for application have been met:

- The district has received school construction approval from the Department of Public Instruction
 - The loan request is for \$1,000,000 or more
 - Received tax statements from tax commissioner and published in official newspaper of the district, and the school's website
 - Received authorization for a bond issue in accordance with chapter 21-03
- Submit application to the Department of Public Instruction by April 1.
 - Application is acted upon in April. Applications are prioritized with the following criteria consideration:
 - Student occupancy and academic needs in the district
 - The age of existing structures to be replaced or remodeled
 - Building design proposals that are based on safety and vulnerability assessments
 - Community support
 - Cost
 - The Department of Public Instruction forwards prioritized list to the Bank of ND.

SCHOOL CONSTRUCTION LOANS – CLOSING REQUIREMENTS

The Bank of North Dakota will be handling the loan closing for school construction loans forwarded by the Department of Public Instruction. An additional Bank of North Dakota application will be sent to the districts on the list. The documents required are outlined below and must be submitted to the Bank for review prior to the closing date:

- Initial Resolution
- Bond Issuance Resolution
- Final Resolution
- Closing Certificate
- Non-arbitrage Certificate (Tax-exempt financing only)
- Bond (One bond with amortization schedule) dated the date of closing
- Recognized Bond Counsel Opinion

Note: The school district will have the option to prepay the debt at any time. The principal and interest is payable annually on June 1.

Upon receipt and review of the executed documents, the Bank will fund the loan and make payment to the school district either by check, wire transfer or account credit at the Bank. The school district will need to provide the Bank with payment instructions.

The Bank may charge a fee for managing and servicing the loan.

If you have any questions, the school district or your recognized bond counsel may contact the Bank of North Dakota Commercial Loan Department at 701-328-5694.